

eratic party can congratulate itself that another plank of its platform has been forced upon the party in power.

If a license is required of corporations desiring to control as much as twenty-five per cent of the total product and if the holder of the license is then prohibited from controlling more than fifty per cent, private monopolies will be made impossible. The license should not interfere with the right of the state to control corporations doing business in the state but should add this remedy to state remedies.

The national charter, like national incorporation, is not only unnecessary but objectionable, because it would lessen the power of the state to protect its own people.

The president suggests several specific remedies, among others that "the real owners of a corporation should be compelled to do business in their own names." It would be well to apply this to newspapers so that the readers would know whether predatory interests controlled the paper.

"It is from every standpoint," says the president, "far preferable to punish the prime offender by imprisonment rather than to fine the corporation, with attendant damage to stockholders." This is another democratic doctrine appropriated.

The recommendation on currency is not very explicit, but his language would indicate opposition to what is known as an asset currency. He says:

The Currency

"Such emergency issue must be based on ADEQUATE SECURITY, SECURITIES approved by the government, and must be issued under a heavy tax." This would indicate that he desires bonds of some kind to be deposited whereas the friends of an asset currency want the banks to issue on their general assets. While it is some relief to find that he has resisted the entreaties of the New York bankers to the extent of refusing to endorse the asset currency it is to be regretted that he did not declare himself in favor of the issue of treasury notes as an emergency—such notes to be issued to state as well as national banks on such bonds as may be considered safe.

The president's discussion of the tariff is disappointing. While he says that "there is an evident and constantly growing feeling among our people that the time is rapidly approaching when our system of revenue legislation must be revised," he qualifies his recommendation and postpones revision until after the election. In fact, he really leaves it in doubt whether he wants revision after the NEXT election or simply after A presidential election. After endorsing the protective principle strongly he weakly suggests that it is "probably" well that "every dozen years OR SO the tariff laws should be carefully scrutinized," etc.

No wonder the standpatters are entirely satisfied with this part of the message—it means an indefinite postponement of tariff revision so far as the republican party is concerned.

The income tax and inheritance are endorsed, but they are to be considered not now but "when our tax laws are revised." Instead of attempting to prepare a new law which will avoid the objections raised to the last one by the supreme court it would be better to press an amendment to the constitution which will specifically authorize an income tax.

The president very properly urges the extension of the principle of employers' liability and asks for the enforcement of the eight hour day.

Employers' Liability; Injunction

He comes a little nearer to the subject of government by injunction than he has heretofore, but does not yet take the matter up in earnest.

On the subject of campaign contributions the president says: "Under our form of government voting is not merely a right but a duty, and, moreover a fundamental and necessary duty if a man is to be a

Campaign Contributions

good citizen. It is well to provide that corporations shall not contribute to presidential or national campaigns, and furthermore to provide for the publication of both contributions and expenditures. There is, however, always danger in laws of this kind, which from their very nature are difficult of enforcement; the danger being lest they be obeyed only by the honest, and disobeyed by the unscrupulous, so as to act only as a penalty upon honest men. Moreover, no such law would hamper an unscrupulous man of unlimited means from buying his own way into office. There is a very radical measure which

would, I believe, work a substantial improvement in our system of conducting a campaign, although I am well aware that it will take some time for people so to familiarize themselves with such a proposal as to be willing to consider its adoption. The need for collecting large campaign funds would vanish if congress provided an appropriation for the proper and legitimate expenses of each of the great national parties, an appropriation ample enough to meet the necessity for thorough organization and machinery, which requires a large expenditure of money. Then the stipulation should be made that no party receiving campaign funds from the treasury should accept more than a fixed amount from any individual subscriber or donor; and the necessary publicity for receipts and expenditures could without difficulty be provided."

The recommendation is given in full because it is a new idea and an important one. The Commoner is glad to bring it to the attention of its readers and to endorse it. Nothing would do more to stop corruption in politics and put the parties on an even footing in campaigns. The appropriation, however, should not be confined to the great parties. Having fixed the amount per voter the appropriation should be divided among all the parties in proportion to voting strength.

The president renews his recommendation of arbitration, or compulsory investigation in cases of disputes between capital and labor. As this idea was in the democratic plat-

Arbitration

forms of 1896, 1900 and 1904 the democrats ought to urge the establishment of such a board at once. He recommends that wood pulp be put upon the free list, but, probably to avoid the general tariff question, he justifies it on the ground that it will protect our forests.

The president endorses the postal savings bank as recommended by the postmaster general. This is good as far as it goes, but it would be better to supplement it with a system of guaranteed banks so that all deposits might be made secure.

Postal Savings Banks

The president will be commended for urging self government for Alaska and full citizenship for Porto Rico. His recommendation of an appropriation for the Alaska-Yukon-Pacific exposition will also be approved as will his suggestion that the coast-wise shipping laws should be amended in the interest of Hawaii.

The Territories

Democrats especially, and the public in general, will appreciate the compliment he pays Jackson in recommending an appropriation for keeping up and caring for the Hermitage, the home of Old Hickory.

The Hermitage

The president presents another defense of the army and the space devoted to it indicates that he recognizes that some explanation should be given of the fact that the minimum of the army has been more than doubled within ten years. He also makes a plea for a larger navy, supporting it with the empty arguments he so often advanced to prove that a big navy is in the interests of peace.

The Army and Navy

The president reports the progress made by The Hague tribunal. An agreement has been secured looking toward the elimination of navies as debt collecting agencies—at least until after award. But the president does not go far enough. While supporting the Hague court or commission our nation ought to proceed on its own initiative to promote peace by agreements with other nations stipulating that all questions in dispute shall be submitted to an impartial international tribunal for investigation before any declaration of war or commencement of hostilities. Such agreements would do more to prevent war than any of the treaties yet made.

The Hague

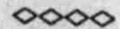
The president urges the encouragement of Chinese students to come to our colleges and in this he is wise. We ought to encourage students to come from all countries. We could afford to set apart a sum for the education of such students here, for friends thus secured would give us more protection than an equal amount spent on our army.

While there is nothing startling in the message it is probably his strongest state paper when measured by the number of subjects covered and the study required.

PURCHASABLE LEGISLATION

The very fact that a tariff is opposed on the ground that it disturbs business is a weighty argument against the protective system. When industries rest, not upon their merits, but upon legislative favors, they are always in politics. They may advise others to regard the question as non-political, but they never do. They are for the party that favors them, and they are willing to purchase legislation by contributions to the campaign fund. When the election is over they are in a position to enforce their demands by threatening a withdrawal of contributions.

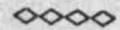
Senator Beveridge is in error—inexcessably in error—in assuming that either in the United States or throughout the world the protective principle is firmly established; he is in error—grossly in error—when he argues that our trade can be extended as much by reciprocity treaties as by a general reduction of the tariff; and he is in error—absurdly in error—when he declares that the tariff question can be taken out of politics and settled by a few experts. It is evident that the men who have been using the protective system to gather unto themselves an undue share of the annual production of wealth are badly frightened, for nothing but fear would compel them to advocate the appointment of a commission. When they feel sure of victory, even a tariff commission is scouted; and when the people at large get ready to revise the tariff—and they seem about ready—they will not allow a tariff commission to stand between them and relief.



EVEN SILVER

In an editorial entitled "Confidence Tablets" the Wall Street Journal says: "There is no crop failure. There is no wreckage of manufacturing. There is no war nor threat of war. While there is by reason of panic hoardings too little money, it is still true that the cash now held in New York City alone would be heavy enough, were it all in silver, to sink the Mauritania."

Yes and if the New Yorkers would only let it go, men, women and children in all sections of the country would accept it cheerfully in the payment of obligations, in the opening of enterprise and in the movement of crops—even "were it all in silver."



GUARANTEED DEPOSITS

The plan of the guaranteed bank is simply this. Statistics show the average loss to depositors to be very small, taking all the banks together. But the depositors are afraid because they do not know much about the affairs of any particular bank. The postmaster general, in recommending the postal savings banks, called attention to the fact that a large sum of money is sent back to the government banks of Europe by people who are afraid to trust the private banks here and Mr. Wanamaker has been quoted as saying that a large sum is kept in hoarding and hiding places in this country.

If this sum can be drawn into the banks and thus be put into channels of trade it will relieve the stringency more effectively than anything else. The postal bank will do this to a limited extent, but not completely, for in the plan proposed the depositors will be limited as to each person, and there will be no checking account allowed.

The system of the guaranteed banks contemplate the absolute guarantee by the government of such banks as may voluntarily enter into the system. In entering the system they agree to reimburse the government in proportion to their deposits for any losses incurred by the government in payment of depositors in failed banks. During the last forty years the average loss among national banks has been less than one-tenth of one per cent of deposits, and, as we have passed through two panics in that time, it is not likely that the average loss will be greater during the next forty years.

The government by its guarantee makes the bank deposits equivalent to government bonds, and yet it assumes no real risk because it has the capital, the stock, the surplus and the additional liability of the stockholders of the guaranteed banks as its security. The objection that is most frequently urged to this plan is that the state banks would suffer by competition.

This is a confession, first, that the depositor wants absolute security, and, second, that the state banks do not give absolute security.